



PARK TOWER
NATIONAL BANK

October 7, 1986

Secretary
Interstate Commerce Commission
Washington, D.C. 20423

RECORDATION NO. 15072 Filed & Recorded

OCT 14 1986 12-05 PM

INTERSTATE COMMERCE COMMISSION

Dear Secretary;

I have enclosed an original and one counterpart of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the US Code. This document is a Security Agreement which is a primary document dated September 12, 1986.

The names and addresses of the parties to the document are as follows:

Mortgagor: James Grisebaum
1111 North Loop West, #200
Houston, Texas 77008

Mortgagee: Park Tower National Bank
P O Box 27515
Houston, Texas 77227

The following is a description of the equipment covered by the document:

Five (5) used 33,500 gallon pressurized, nominal capacity tank cars, DOT specification 112J340W, with 100 ton roller bearing trucks, serial numbers: GLNX 34218, GLNX 34216, GLNX 34201, GLNX 34211 and GLNX 34203, and all accessions thereto.

A fee of \$50.00 is enclosed Please return the original and any extra copies not needed by the Commission to: Park Tower National Bank, P O Box 27515, Houston, Texas 77227, ATTN: Note Dept.

The following is a brief summary of the documents to appear in the index:

Railroad tank cars intended for use related to interstate commerce or interest therein owned by James Grisebaum as of September 12, 1986, together with all other property now owned or hereafter acquired by it, its successors.

Sincerely,

Park Tower National Bank

By:

Christopher J. Delaup
Vice President

OFFICE OF THE SECRETARY
OCT 14 1986 12:54 PM
MOTOR CARRIER UNIT

/pk

Interstate Commerce Commission

Washington, D.C. 20423

10/16/86

OFFICE OF THE SECRETARY

Christoph J Delaup
Vice President
Park Tower Natl. Bank
P.O.Box 27515
Houston, Texas 77227

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 10/16/86 at 12:05pm, and assigned recordation number(s) 15072, 15073, 15074

Sincerely yours,

Noreta R. McGee
Secretary

Enclosure(s)

SE-30
(7/79)



PARK TOWER
NATIONAL BANK
SECURITY AGREEMENT
(Goods)

RECORDATION NO. 15072 Filed & Recorded
OCT 14 1986 12-05 AM
INTERSTATE COMMERCE COMMISSION

1. The undersigned, James Grisebaum

whose residence address is 1111 North Loop West, #200, Houston, Texas 77008

Harris County, Texas and/or whose chief executive

office and chief place of business is 1111 North Loop West, #200, Houston, Texas 77008

(herein called "Pledgor"), for value

received, the receipt and sufficiency of which is hereby acknowledged, by these present hereby grants a security interest to and/or confirms that it has granted a security interest to PARK TOWER NATIONAL BANK, national banking corporation, with banking quarters at Five Post Oak Park, Houston Harris County, Texas 77027 (herein called the "Secured Party"), in the following property (herein called the "Collateral"), vis:

(check (a), (b), (c), or (d) as applicable)

() (a) all of Pledgor's equipment (herein called "Equipment") whether now owned or hereafter acquired and wherever located and without limiting the foregoing, the Equipment at the following locations:

(X) (b) the following specifically described goods (herein called "Goods"):

Five (5) used 33,500 gallon pressurized, nominal capacity tank cars, DOT specification 112J340W, with 100 ton roller bearing trucks, serial nos: GLNX 34218, GLNX 34216, GLNX 34201, GLNX 34211 and GLNX 34203, and all accessions thereto.

which Goods are classified as, and will be used by Pledgor primarily as

- (i) X equipment (business use), or
- (ii) _____ equipment (used in farming operations), or
- (iii) _____ consumer goods (personal, family or household purposes);

() (c) if any of the Equipment or Goods will be used primarily in farming operations such Equipment will be located either at Pledgor's above identified residence or the following locations:

Address:

() (d) if any of the Equipment or Goods are or will become so related to any particular real estate so as to constitute a fixture or are or will be installed or affixed to other goods, a description of such real estate or such other goods is as follows:

and the name of the record owner is _____

and

(e) the proceeds, products, additions, substitutions and accessions of and to any and all of the foregoing.

2. The security interest is granted to Secured Party to secure the prompt and unconditional payment and performance when due of the following (all of which is herein called the "Indebtedness"):

- (a) any and all indebtedness, obligations and liabilities of Pledgor to Secured Party (including all claims of every nature and description of Secured Party against Pledgor), now or hereafter existing or arising, absolute or contingent, direct or indirect, secured or unsecured, due or to become due, whether originally contracted with Secured Party or acquired in any manner (including by way of participation) by Secured Party;
- (b) all amounts which might be advanced by Secured Party to satisfy amounts required to be paid by Pledgor under this Security Agreement or under any other instrument at any time executed in connection with or as security for the payment of any part of the Indebtedness or any amount secured hereby or to pay any taxes, insurance premiums, liens, claims and charges against any or all of the Collateral, or any properties covered by any instrument executed or to be executed by Pledgor to secure any part of the Indebtedness or any amount secured hereby, together with interest thereon to the extent provided;
- (c) all advances, charges, costs and expenses (including reasonable attorneys' fees and legal expenses) incurred by Secured Party in connection with the transaction which gives rise to this Security Agreement, in connection with any of the Indebtedness or any amount secured hereby and in exercising any right, power or remedy conferred by this Security Agreement or by law (including, but not limited to attorneys' fees and legal expenses incurred by Secured Party in connection with the operation, maintenance or foreclosure of any or all the Collateral);

23. Pledgor waives any right to require Secured Party to proceed against any person, exhaust any Collateral or pursue any other remedy in Secured Party's power; waives any and all notice of acceptance of this Security Agreement or of creation, modification, renewal or extension for any period of any of the Indebtedness from time to time; and waives any defense of any Other Liable Party, or by reason of the cessation from any cause whatsoever of the liability of any Other Liable Party. All dealings between Pledgor and Secured Party, whether or not resulting in the creation of Indebtedness, shall conclusively be presumed to have been had or consummated in reliance upon this Agreement. Until all Indebtedness shall have been paid in full, Pledgor shall have no right to subrogation, and Pledgor waives any right to enforce any remedy which Secured Party now has or may hereafter have against Pledgor or Other Liable Party and waives any benefit of and any right to participate in any Collateral or security whatsoever now or hereafter held by Secured Party. Pledgor authorizes Secured Party, without notice or demand and without any reservation of rights against Pledgor and without affecting liability hereunder or on the Indebtedness, from time to time to (a) renew and/or extend for any period, accelerate, modify, compromise, settle or release the obligation of Pledgor or any Other Liable Party with respect to any or all of the Indebtedness or Collateral, (b) take and hold any other property as collateral, other than the Collateral, for the payment of any or all of the Indebtedness, and exchange, enforce, waive and release any or all of the Collateral or such other property; (c) apply the Collateral or such other property and direct the order or manner of sale thereof as Secured Party in its discretion may determine; and (d) release or substitute any Pledgor or any Other Liable Party.

24. Secured Party may transfer any or all of the Indebtedness, and upon any such transfer Secured Party may transfer any or all of the Collateral and shall be fully discharged thereafter from all liability with respect to the Collateral so transferred, and the transferee shall be vested with all rights, powers and remedies of Secured Party hereunder with respect to Collateral so transferred; but with respect to any Collateral not so transferred Secured Party shall retain all rights, powers and remedies hereby given. Secured Party may at any time deliver any or all of the Collateral to Pledgor, whose receipt shall be a complete and full acquittance for the Collateral so delivered, and Secured Party shall thereafter be discharged from any liability therefor.

25. The execution and delivery of this Security Agreement in no manner shall impair or affect any other security (by endorsement or otherwise) for the payment of the Indebtedness. No security taken hereafter as security for payment of the Indebtedness shall impair in any manner or affect this Security Agreement. All such present and future additional security is to be considered as cumulative security.

26. This is a continuing agreement and all the rights, powers and remedies of Secured Party hereunder shall continue to exist until Secured Party has no further obligation to advance moneys to Pledgor or Other Liable Party and Secured Party, upon request of Pledgor, has executed a written termination statement. Furthermore, it is contemplated by the parties hereto that there may be times when no Indebtedness is owing; but notwithstanding such occurrence, this Security Agreement shall remain valid and shall be in full force and effect as to subsequent Indebtedness provided that Secured Party has not executed a written termination statement. Otherwise this Security Agreement shall continue irrespective of the fact that the personal liability of any Other Liable Party may have ceased, and notwithstanding the death or incapacity of Pledgor or the death, incapacity or bankruptcy of any Other Liable Party or any other event or proceeding affecting Pledgor or Other Liable Party.

27. The rights, powers and remedies of Secured Party hereunder shall be in addition to all rights, powers and remedies given by statute or rule of law and are cumulative. The exercise of any one or more of the rights, powers and remedies provided herein shall not be construed as a waiver of any of the other rights, powers and remedies of Secured Party. Furthermore, regardless of whether or not the Uniform Commercial Code is in effect in the jurisdiction where such rights, powers and remedies are asserted, Secured Party shall have the rights, powers and remedies of a secured party under the Texas Uniform Commercial Code, as amended. Secured Party may exercise its bankers' lien or right of set-off with respect to the Indebtedness in the same manner as if the Indebtedness were unsecured. Time shall be of the essence for the performance of any act under this Security Agreement or the Indebtedness by Pledgor or Other Liable Party, but neither Secured Party's acceptance of partial or delinquent payment nor any forbearance, failure or delay by Secured Party in exercising any right, power or remedy shall be deemed a waiver of any obligation of Pledgor or Other Liable Party or of any right, power or remedy of Secured Party or preclude any other or further exercise thereof; and no single or partial exercise of any right, power or remedy shall preclude any other or further exercise thereof, or the exercise of any other right, power or remedy.

28. Secured Party may remedy any default and may waive any default without waiving the default remedied or waiving any prior or subsequent default.

General

29. The term "Pledgor", as used throughout this Security Agreement shall (regardless of use of the singular form) mean Pledgor individually and/or collectively, and shall include the respective successors, legal representatives, heirs and assigns of Pledgor. The obligations and agreements of Pledgor hereunder are joint and several. The Pledgor is and shall be deemed to be a "Debtor" within the meaning of that term as defined in the Uniform Commercial Code.

30. Neither this Security Agreement nor the exercise by Secured Party of (or any failure to so exercise) any right, power or remedy conferred herein or by law shall be construed as relieving any person liable on the Indebtedness from full liability on the Indebtedness and for any deficiency thereon.

31. Any notice or demand to Pledgor under this Security Agreement or in connection with this Security Agreement may be given and shall conclusively be deemed and considered to have been given and received upon the deposit thereof, in writing, duly stamped and addressed to Pledgor at the address of Pledgor appearing on the records of the Secured Party, in the U.S. Mail, but actual notice, however given or received, shall always be effective.

32. This Security Agreement has been made in and the security interest granted hereby is granted in and both shall be governed by the laws of the State of Texas in all respects, including matters of construction, validity, enforcement and performance. This Security Agreement may not be amended altered, or modified (nor may any of its terms be waived) except in writing duly signed by an authorized officer of Secured Party and by Pledgor. Except as the context may otherwise require, any term used herein that is defined in the Texas Uniform Commercial Code shall have the meaning given therein. If any provision of this Security Agreement is rendered or declared illegal or unenforceable by reason of any existing or subsequently enacted legislation or by a judicial decision which has become final, Pledgor and Secured Party shall promptly meet and negotiate substitute provisions for those rendered illegal or unenforceable, but all of the remaining provisions shall remain in full force and effect.

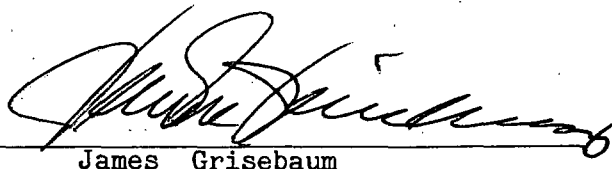
33. The covenants, representations, warranties and agreements herein set forth shall be binding upon Pledgor and shall inure to the benefit of Secured Party, its successors and assigns.

34. SECURED PARTY MAY ENFORCE ITS RIGHTS HEREUNDER WITHOUT RESORT TO PRIOR JUDICIAL PROCESS OR JUDICIAL HEARING, AND PLEDGOR EXPRESSLY WAIVES, RENOUNCES AND KNOWINGLY RELINQUISHES ANY AND ALL LEGAL RIGHTS WHICH MIGHT OTHERWISE REQUIRE SECURED PARTY TO ENFORCE ITS RIGHTS BY JUDICIAL PROCESS. IN SO PROVIDING FOR NON-JUDICIAL REMEDIES, PLEDGOR RECOGNIZES AND CONCEDES THAT SUCH REMEDIES ARE CONSISTENT WITH THE USAGE OF THE TRADE, ARE RESPONSIVE TO COMMERCIAL NECESSITY, AND ARE THE RESULT OF BARGAIN AT ARM'S LENGTH. NOTHING HEREIN IS INTENDED TO PREVENT SECURED PARTY OR PLEDGOR FROM RESORTING TO JUDICIAL PROCESS AT EITHER PARTY'S OPTION.

IN WITNESS WHEREOF, the Pledgor has executed this Agreement this the 12th day of September, 19 86

in Harris County, Texas.

Pledgor:


James Grisebaum

STATE OF TEXAS

COUNTY OF HARRIS

This instrument was acknowledged before me on the 22 day of September, 1986, by James Grisebaum individually.


Notary Public

ELLEN L. GRANNIS
Notary Public, State of Texas
My Commission Expires 12/21/86